



UNCTAD Workshop for Inclusive and Sustainable Growth through Trade

# Sustainability Standards and Market Transparency for Coconuts and Cocoa

6-7 November 2017, Hotel Warwick Le Lagon, Port Vila, Vanuatu

UNCTAD, in partnership with Vanuatu Department of Industry, will organise a workshop on Sustainability Standards and Market Transparency for Coconuts and Cocoa from 6 to 7 November 2017, at Hotel Warwick Le Lagon in Port Vila. The first day of the workshop will bring together experts on sustainable production and trade from international organizations, producers associations, the private sector, and the national government. Interested participants are also encouraged to attend a half-day special training session for the second day on the Vanuatu Market Information System (MIS) Directory and scoping for the MIS Repository.

## Vanuatu Strategies for Coconuts and Cocoa

Coconuts and cocoa, traditionally important crops to Vanuatu, have the potential to become key drivers for green export growth. The [National Green Export Review 2016](#) found that global demand for these products was growing with an unprecedented speed, yet Vanuatu was not capturing the market opportunity due partly to the disconnection between global market demand and local supply decision on coconuts and cocoa. The Review has also recommended a set of policy actions required for Vanuatu to build on its strength, seize opportunities, and limit exposure to threats. These policy actions include: (1) establishing national (organic) brand for coconuts and cocoa and (2) improving access to market information by farmers, producers and the private sector.

This workshop will examine these two recommendations and discuss on the prospects on how to achieve them.

### 1. National "Sustainability" Brand

Coconuts and cocoa production in Vanuatu are *de facto* organic and socially and environmentally sustainable in most cases. This presents a significant opportunity for Vanuatu to enter into the niche market of green or "sustainable" products, i.e. those that are nature-based, eco-friendly, healthy, and socially correct, as elaborated in the study [Harnessing Agricultural Trade for Sustainable Development](#). The consumer demand for sustainable products is very strong. According to a [study](#), almost 90 % of consumers in global markets will switch to brands that are better associated with sustainable cause. How do consumers distinguish sustainable products from those that are not? They look for products that carry *voluntary sustainability standards* (VSS), such as [Fairtrade International](#), [Rainforest Alliance](#), and [UTZ](#), which assure that the product concerned was sourced or produced in a socially or ecologically correct manner. Complying with VSS can increase the marketability of green exports in the growing and lucrative "sustainability" markets, and can contribute to the implementation of [Vanuatu Sustainable Development Plan \(2016-2030\)](#) and the SDGs.

**This workshop will discuss:** *Will establishing National Sustainability Brand be an effective option to: (a) reduce certification and trade costs; (b) improve local quality infrastructure (e.g. quality and sustainability standards, testing laboratory, labelling schemes, etc.); and (c) enhance diversification into higher value-added products?*

### 2. Information Transparency and Market Information System

In parallel to the UNCTAD completed study "[Harnessing Agricultural Trade for Sustainable Development](#)", the pilot Market Information Service (MIS) is being designed to serve the cocoa and coconut sectors in Vanuatu. Producers, traders and other stakeholders currently lack up-to-date and accurate information on the direct and indirect costs and benefits of certification, which hinders the possibility to perform a thorough cost-benefit analysis. The Market Information System (MIS) will address these concerns providing current information on market conditions at different locations or different points in the marketing chain. This allows stakeholders to analyse if, what and where to market. The data that would accumulated over time can eventually be used as a powerful tool to help with production planning for producers, make decisions for traders, and formulate policies for the government.

**This workshop will present** *the developed MIS Directory as a first step to strengthen the multi-stakeholder cooperation and increase the transparency of cooperation with the foreign counterparties, and discuss the functionality of MIS Repository for information centralization and dissemination. MIS Repository sets to use the existent data collected in the country by different institutions and stakeholders (DoI, VNSO, etc.).*